

CHANGES TO THE ORIGINAL PCM ANALYSIS

The section heading **HISTORICAL DATA, PROJECT TIMELINE AND SCHEDULE UPDATES FROM MAY 10, 2002 TO TERMINATION OF McDANIEL IN MID-OCTOBER 2004** has been added to the revised report but the content of this section remains the same, except for the following noted exceptions.

Page 6 (old page 4) – paragraph starting “As noted earlier,” changed, roofing to *roof construction* and added, *per the 2003 schedule* to the end of the first sentence.

Page 6 (old page 4 – paragraph starting “The start of metal studs” added to the end of the paragraph, *This time frame is calculated through use of dates set forth in the updated schedule.*

Added to the Revised Report, Page 16 (page 14 of the original report):

In the third paragraph, which begins “*Also on the 15th of January,*” a series of question marks was added to the end of the paragraph. In the same paragraph, changed 15^{ht} of January to 15th of January.

In the fifth paragraph, which begins “*This is of concern in that McDaniel’s,*” the work **CITE** was added.

A damage calculation remains in the fourth paragraph on this page.

Page 22 (old page 19) – paragraph starting “Clearly NDK was nowhere” changed IRSD I March of 2003 to *IRSD in March of 2003.*

Diagrams on pages 24, 25, 32, 34, 35, 36, 40, 44, 46, 49, 50, 51, 56, 63, 68 and 74 are slightly different. The diagrams in the revised report have open bars whereas the bars in the original reports are all solid.

Page 30 (old page 28) – paragraph starting “Clearly, given the” changed there can b no basis to *there can be no basis.*

Page 33 (old page 31) – paragraph starting “Additional areas of noted” changed form the roof decks to from *the roof decks.*

Page 39 (old page 36) – paragraph starting “That EDiS’ schedule” changed attached to the May 24th, 2003 report to *dated August 26th, 2003 report.*

Modified in Revised report - Page 47

The second full paragraph on page 47 of the revised report, which begins with “*The November 3rd, 2003 meeting minutes*” contains the following sentence. “*The EDiS schedule of*

9/18/03, referenced a completion of mechanical rough in this final building on November 23rd, 2003.”

This sentence in the original report (page 44, third paragraph) read “*The EDiS schedule **attached to the noted meeting minutes, oddly dated** 9/18/03, references a completion of mechanical rough in this final building on November 23rd, 2003.*”

Page 59 (old page 56) – paragraph starting “The February 17th, 2004” changed February 7th, 2004 to *February 17th, 2004.*

Page 76 (old page 73) – paragraph starting Prior to Zimmer’s involvement” changed Buildings wee complete to *Buildings were complete.*

Deleted from the Revised Report - Page 76:

The following sentence was contained in the original report, at the beginning of the third paragraph on page 73, but is not contained in the revised report (it was deleted from the paragraph containing the reference to Exhibit 225). “***What benefit did the IRSD gain by removing McDaniel from the project altogether at a time when Zimmer was working in the penthouses and McDaniel in the various structures?***”

Modified in the Revised Report - Page 76:

The following sentence appears in the fifth paragraph of the revised report. “*In the end, it would appear that the decision to remove McDaniel, from the penthouse and Building F mechanical, arose from the **situation occurring as a result of EDiS’ failure to previously adjust** the schedule for gross delay and active interference impacts arising from the belated performance of the concrete, steel, framing and roofing contractors, and the out of sequence performance by the masonry and interior finishes contractors.*”

The sentence in the original report read as follows (fourth paragraph on page 73). “*In the end, it would appear that the decision to remove McDaniel, from the penthouse and Building F mechanical, **arose from the embarrassment of not previously adjusting** the schedule for gross delay and active interference impacts arising from the belated performance of the concrete, steel, framing and roofing contractors, and the out of sequence performance by the masonry and interior finishes contractors.*”

Page 77 (old page 74) – paragraph starting “While EDiS/IRSD positioned” changed Zimer to Zimmer.

Added to the Revised Report: The content contained on pages 78 through 113 of the revised report, beginning with the heading ANALYSIS IF THE CRITICAL PATH AT THE IRSD PROJECT BASED UPON THE FOREGOING FACTUAL AND SCHEDULING TIMELINES, is new in its entirety and was not contained in the original report.

Deleted from the Revised Report – Page 113:

The following paragraph was included in the original report (first paragraph on page 75) but is not contained in the original report. *“During their short period of co existence McDaniel had no overview of Zimmer’s efforts, and the scope of work, or better said the engineer and Zimmer’s interpretation of this scope, would drive the contract critical path along with the completion of B building, either of which was under McDaniel’s control.”*

Added to the Revised Report – Page 113

The section heading CONCLUSION on page 113 of the revised report was not included in the original report.

Modified in the Revised Report – Page 114

The first two paragraphs on page 114 of the revised report contains the following sentences: *“McDaniel might have averted the termination, and the building would have been completed in early 2005, possibly late 2004, including any needed repairs or supplementary contract documentation if EDiS had simply recognized the delays referenced throughout the project issued timely extensions and helped mitigate labor losses by controlling progress sequences.”*

“What EDiS in fact did was ignore the delay impacts, not police delinquent performance by others, constructively accelerate/compress follow up mechanical sequences requiring work in adverse conditions, and then terminate the contractor, McDaniel, who had been burdened with the majority of the aforementioned impacts.”

In the original report, page 75, these paragraphs read *“McDaniel might have averted the termination, and the building would have been completed in early 2005, possibly late 2004, including any needed repairs or supplementary contract documentation if EDiS / IRSD had simply recognized the delays referenced throughout the project issued timely extensions and helped mitigate labor losses by controlling progress sequences.”*

“What EDiS / IRSD in fact did was ignore the delay impacts, not police delinquent performance by others, constructively accelerate/compress follow up mechanical sequences requiring work in adverse conditions, and then terminate the contractor, McDaniel, who had been burdened with the majority of the aforementioned impacts.”

Added to the Revised Report – Page 114

The last two paragraphs of the revised report, beginning *“Clearly, the termination of McDaniel,”* were not included in the original report.

Deleted from the Original Report – Page 75 through the end.

The content beginning with the last sentence on page 75 of the original report "*The following pages set forth our estimate of material and labor overruns,*" through the end of the report have been omitted from the revised report.